

Chapter 9

After the Election

Generally, a committee established primarily to support or oppose a ballot measure will terminate soon after the election, unless the committee has debts and remains open to raise funds to pay the debts.

If a committee chooses, it may remain open to support or oppose candidates or other measures. If this is the case, the committee will need to amend its Statement of Organization, Form 410, to reflect the change of committee type.

Note: After the election in which a measure appears on the ballot, a committee files semi-annually. (See “When to File” in Chapter 6.) However, if a ballot measure fails to qualify for the ballot, or is otherwise not on the ballot, the committee must file quarterly until it terminates.

Termination

The law has specific requirements before a committee may terminate. It is important to remember that the committee may not terminate if it still has funds. Also, a committee may terminate with debt, as long as at the time of termination the committee neither has the ability nor foresees the ability to pay the debt. There is no deadline by which a committee must terminate.

A committee may terminate only if it:

- Has ceased receiving contributions or making expenditures;
- Has no remaining funds;
- Has filed all required campaign statements disclosing all reportable transactions, including the disposition of leftover funds; and
- Has eliminated all debts and loans, or has no intention or ability to discharge debts and loans.

How to Terminate

Use the Form 410 to terminate the committee. Check the “Termination” box and report the committee’s identification number and the date of termination; the date of termination is generally the date all funds have been expended. In addition, identify the name of the committee and have the treasurer or assistant treasurer sign the verification. If this is a controlled committee, the controlling officeholder(s)/candidate(s) or state ballot measure proponent(s) also signs the verification. Form 450 or 460 also must be filed showing that all funds have been expended and the committee has no cash on hand. Check the “Termination” box on the cover page.

Where to File

File the original and a copy of the Form 410 with the Secretary of State. In addition, a county or city committee should file a copy with the local filing officer receiving the committee’s original campaign statements. File Form 450 or 460 in the committee’s regular filing locations. (See Chapter 6.)

Answering Your Questions

- Q. *May our primarily formed ballot measure committee use campaign funds to host a victory party, or to thank campaign workers?*
- A. Yes. Additional information is provided on use of campaign funds in Chapter 10.
- Q. *May we terminate our committee even if we have outstanding debt owing to creditors?*
- A. Yes. When you file your termination statements, you are declaring that you do not have the ability to discharge debts, loans, or other obligations.

- Q. *Our committee wants to terminate. What may we do with the computer and furniture that were purchased?*
- A. The committee may sell the assets or donate the assets to a bona fide charity, educational, civic, religious, or similar tax exempt nonprofit organization where the donation bears a reasonable relationship to a political, legislative, or governmental purpose. Committees cannot give the assets to the committee treasurer, officers or volunteers, to any individual who has the authority to make committee expenditures, or to any organization over which such individuals have authority to approve expenditures.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

- 82015 *Contribution.*
84103 *Statement of Organization;
Amendment.*
84200 *Semi-Annual Statements.*
84214 *Termination.*

Title 2 Regulations

- 18215 *Contribution.*
18404 *Termination of Candidate's and
Committees' Filing Requirements.*